

Draft Concept

Centers for Alternative Fuels and Advanced Vehicle Technology

(Note: This draft concept document contains the Energy Commission staff draft concept for a solicitation under the *"2012-2013 INVESTMENT PLAN FOR THE ALTERNATIVE AND RENEWABLE FUEL AND VEHICLE TECHNOLOGY PROGRAM,"* for the funding category, Centers for Alternative Fuels and Advanced Vehicle Technology. The draft document includes only those sections specific to a Centers for Alternative Fuels and Advanced Vehicle Technology grant funding category solicitation.)

PURPOSE OF SOLICITATION

The purpose of this Centers for Alternative Fuels and Advanced Vehicle Technology grant solicitation is to unify activities that may provide future development and expansion of alternative fuels and advanced vehicle technologies through collaboration with existing and new centers throughout the state. A center for alternative fuels and advanced vehicle technologies can serve multiple purposes, such as identifying strategic opportunities for local agencies and companies to develop and demonstrate advanced technology vehicles, providing a neutral site for individual companies to collaborate on technology demonstrations, centralizing the attention of fleet managers that are interested in alternative fuels and advanced vehicles, and integrating vehicle technology as it is developed with workforce training efforts. Additionally, centers can provide a cohesive platform for obtaining information concerning the availability of outside funds, whether from the private sector (such as venture capital) or public sector (such as available federal and state grant funds).

AVAILABLE FUNDING AND HOW AWARD IS DETERMINED

There is \$2.7 million available for Agreements resulting from this competitive solicitation. However, the Energy Commission reserves the right to increase this amount up to \$5 million.

The Energy Commission staff is contemplating to make three awards of \$900,000 to be distributed among Northern California, Central California, and Southern California.

- Central California includes the counties of San Luis Obispo, Kern, Inyo, Tulare, Kings, Monterey, San Benito, and Fresno.
- Northern California includes the counties of Santa Cruz, Santa Clara, San Mateo, San Francisco, Merced, Stanislaus, Alameda, San Joaquin, Tuolumne, Calaveras, Mono, Alpine, Amador, Sacramento, Solano, Napa, Marin, Sonoma, Yolo, El Dorado, Placer, Sutter, Colusa, Lake, Mendocino, Glenn, Butte, Nevada, Sierra, Yuba, Plumas, Tehama, Lassen, Shasta, Trinity, Humboldt, Del Norte, Siskiyou, Mariposa, Madera, Modoc, and Contra Costa.
- Southern California includes the counties of Santa Barbara, Ventura, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Imperial.

If the Energy Commission does not receive passing proposals requesting the full \$900,000 in one or more of the regions, the Energy Commission reserves the right, at its sole discretion, to redirect the remaining funding balance for that region to other regions that have passing, but unfunded proposals. Funds will be redirected to the highest scoring, unfunded applications.

ELIGIBLE APPLICANTS

Eligible Applicants are public agencies, businesses, public-private partnerships, non-profit organizations, fleet owners, and academic institutions that can meet the requirements of this solicitation and agree to the terms and conditions that will be included in the resulting Agreement(s).

ELIGIBLE PROJECTS

To be an “Eligible Project” for this solicitation, the proposed center must serve a defined region within California; support multiple local agencies and businesses within the region; and meet one or more of the following:

- Identify strategic opportunities to develop and demonstrate advanced technology vehicles.
- Provide a neutral site for individual companies to collaborate on technology demonstrations.
- Centralize the attention of fleet managers that are interested in alternative fuels and advanced vehicles.
- Integrate vehicle technology development with workforce training efforts.
- Serve multiple functions to support and promote local and regional alternative fuel vehicles, which may include demonstration, maintenance and/or technical training/educational services associated with multiple alternative fuels, fueling systems and/or vehicle technologies.
- Provide a central location for local and regional planning for development and deployment of alternative fuels, fueling infrastructure, or alternative fueled vehicles.

A center can be either a physical facility or a virtual center. For the purposes of this solicitation, a virtual center is a center, which is a web-based center with or without a physical facility.

For the purposes of this solicitation,

- Alternative fuels include electricity, natural gas, biogas, hydrogen, ethanol, biodiesel, and renewable diesel.
- Alternative fueling systems include commercial, institutional and/or residential demonstrations of fuel dispensing systems for the above-listed alternative fuels.
- Alternative vehicles technologies include, but are not limited to:
 - Electric drive cars, trucks, shuttles, buses, or off-road equipment
 - Natural gas/biogas cars, trucks, shuttles, buses, or off-road equipment
 - Hydrogen fuel cell cars, trucks shuttles, buses, or off-road equipment
 - Various hybrid configurations of the above listed technologies.

The following project types ARE NOT eligible for funding under this solicitation:

- Paper studies (e.g., a study on the feasibility of a center or feasibility studies on projects to be pursued or developed by a center).
- Surveys to determine interest in or the efficacy of having a center.
- Construction or operation of a center whose sole function is developing research projects and/or conducting research.
- Proposals for any type of vehicle demonstration.

Expenditures other than for developing, expanding, renting/leasing, and/or operation of a center ARE NOT eligible for reimbursement under this solicitation and Agreement(s). Proponents of such centers are responsible for securing funding for the various activities that may occur in the facility. For example, ARFVTP solicitations provide funding opportunities to install alternative fueling infrastructure provide maintenance training and production training, conduct regional planning activities, or demonstrate alternative fueled vehicles. Other federal and state agencies also provide various funding for these types of activities that may occur in the facility.

Examples of non-eligible expenditures include, but are not limited to:

- Costs to install fueling infrastructure
- Costs to provide/produce maintenance training (such as stocking fees for tools)
- Costs to demonstrate alternative fueled vehicles.

Examples of eligible expenditures include, but are not limited to:

- Costs to develop, construct, expand, rent/lease, and/or operate the proposed center. These costs may include, but are not limited to:
 - Personnel costs for technology specialists, engineers, planners, managers, etc.
 - Contracting costs for these same disciplines.
 - Equipment and material costs needed for the everyday operation of the proposed center.
 - Operations and maintenance costs.
 - Administrative costs

Applicants are required to submit evidence of match funding sources for all the activities planned to occur at the proposed center as described in the “Purpose of the Solicitation” section.

PARTNERSHIP REQUIREMENTS

Each proposal shall include a summary of the expected activities to be conducted at the proposed center. In addition, the proposal should contain a plan to recruit key partners along with a list of expected partnerships. Such partnerships may include, but are not limited to: manufacturers and suppliers of alternative fueling systems and alternative technology vehicles; transit agencies or districts; local and regional school districts; vocational colleges or universities; municipal and regional government entities; not-for-profit advocacy organizations; state agencies; or federal agencies.

MATCH FUNDING REQUIREMENTS

Applications must provide a minimum of 50% of total project costs as match share. Applications that do not meet the minimum match share requirement will be rejected.

Eligible match share expenditures (cash and/or in-kind) must be reasonable, allowable and allocable to the project. Match share funding must be firmly committed at the time the Applicant executes a grant agreement with the Energy Commission.

Expenditures may be counted as match share only after the Energy Commission notifies the Applicant that its project has been proposed for an award through the release of a Notice of Proposed Award (NOPA). However, match share expenditures incurred prior to the full execution of a funding agreement are made at the Applicant's own risk. The Energy Commission is not liable for Applicant's costs if the grant is not approved, if approval is delayed, or if the match share expenditures are deemed not allowable under the terms and conditions of the grant.

EVALUATION CRITERIA

There will be a section in the solicitation explaining the evaluation stages, preference points, and scoring of all applications. For the purposes of this workshop, the Energy Commission standard process and criteria are not included in this document.

Evaluation Criteria	
Relevant Experience and Qualifications	
1.	Degree to which the applicant/project team are well suited to successfully complete and operate the proposed center.
2.	Degree to which the applicant explains the functions each team member will perform, their qualifications and relevant technical and business experience, and the match of skills and capabilities to each task.
Project Implementation	
1.	Degree to which the applicant discusses the project schedule, the sequence of tasks, and how the tasks are related to or are dependent on each other in a logical manner.
2.	Degree to which the applicant identifies equipment and materials acquisition and installation schedule. (if applicable)
3.	Degree to which the applicant describes how the proposed project will be completed in an effective and efficient manner.
Project Readiness	
1.	Degree to which the applicant identifies key financial and contractual relationships needed to complete the project and provides letters of commitment from key project supporters/partners.

2. Degree to which the applicant provides documentation that the applicant owns, has access to, or controls the project site and/or building facility. (if applicable)
3. Degree to which the applicant identifies the location of the project and if the project will be located at an existing facility for which the proposed use is permitted under the existing zoning classification.
4. Degree to which the applicant describes the existing or prior use of the project site and/or building facility.
5. Degree to which the applicant describes permits that may be required for the project and the schedule for obtaining these permits.

Project Budget/Finance

1. Degree to which the applicant describes why state funds are needed for the project.
2. Degree to which the applicant describes how the budget is apportioned to key project tasks.
3. Degree to which the applicant describes the amount of non-state matching funds (cash and in-kind) in the project and provides letters of commitment from match contributors including investors and/or lenders.
4. Degree to which the applicant provides, if applicable, strategies in securing capital to ensure project and commercial success.
5. Degree to which the applicant provides a cash-flow projection for the center for the first five years over the duration of the project.

Expected Economic Benefits

1. Applications will be evaluated on the number of estimated direct California jobs that will be created and retained by the project. Proposed projects documenting a greater number of direct California jobs will score higher.
2. Degree to which the applicant provides data in the project area for unemployment and location of economically distressed areas. Indicate if the project is located in a national or state economically enhanced area (i.e. enterprise zone, enhanced manufacturing area).
3. Degree to which the applicant describes increases in economic development through the manufacture, demonstration, deployment, use, and maintenance of alternative fuels, fueling systems, and/or vehicle technologies.

Expected Regional Benefits

1. Degree to which the applicant describes and quantifies (where possible) the expected regional benefits of each proposed center. Such benefits may include, but not be limited to, increases in ambient air quality and public health, increases in public awareness of alternative technology fuels and vehicles, increased demonstration and deployment of alternative technology fuels and vehicles, and/or increases in training opportunities.
2. Degree to which the applicant describes how the proposed center will help demonstrate alternative fueling and alternative fueled vehicles, reduce greenhouse gas (GHG) emissions, and reduce petroleum use.

REQUIRED DOCUMENTS

For the purposes of this workshop, the Energy Commission standard information regarding application format, required documents, and delivery is not included in this document.

- **Project Narrative**

The Project Narrative must address each screening and scoring criteria along with the elements described below. Applicants should provide sufficient detail so that Evaluation Committee will be able to evaluate the Application against the technical scoring criteria. The Project Narrative must not exceed 20 pages. Resumes do not count towards the page limitation.

The Project Narrative must:

- Include a detailed description of the proposed center(s), including identification of the entity that will own and operate the proposed center(s). Provide any supporting documentation that is available (e.g., architectural plan, etc.)
- Include operational goals and objectives of the proposed center(s).
- Describe activities/functions that will occur at the proposed center(s) and how they will be funded. Describe the amount of non-state Match Funds (cash and/or in-kind) and provide verification and documentation of the source and availability. Provide details (name and business location, type of entity, amount, etc.) for each funding partner. Provide letters of commitment from match contributors including investors and/or lenders.
- Describe the applicant/project team and why they are well suited to successfully complete and operate the proposed center.
- Explain the functions each team member will perform, their qualifications and relevant technical and business experience, and the match of skills and capabilities to each task.
- Discuss the project schedule, the sequence of tasks, and how the tasks are related to or are dependent on each other in a logical manner.
- Identify equipment and materials acquisition and installation schedule. (if applicable)
- Identify key financial and contractual relationships needed to complete the project. Provide letters of commitment from key project supporters/partners.
- Provide documentation that the applicant owns, has access to, or controls the project site and/or building facility. (if applicable)
- Identify the location of the project and if the project will be located at an existing facility for which the proposed use is permitted under the existing zoning classification. Describe the existing or prior use of the project site and/or building facility.
- Describe permits that may be required for the project and the schedule for obtaining these permits.
- Provide, if applicable, strategies in securing capital to ensure project and commercial success.
- Provide a cash-flow projection for the center for the first five years over the duration of the project.

- Quantify the direct California jobs that will be created and retained by the project. Document any calculations and assumptions used.
- Provide data in the project area for unemployment and location of economically distressed areas. Indicate if the project is located in a national or state economically enhanced area (i.e. enterprise zone, enhanced manufacturing area).
- Describe increases in economic development through the manufacture, demonstration, deployment, use, and maintenance of alternative fuels, fueling systems, and/or vehicle technologies.
- Describe the expected regional benefits of each proposed center. Such benefits may include, but not be limited to, increases in ambient air quality and public health, increases in public awareness of alternative technology fuels and vehicles, increased demonstration and deployment of alternative technology fuels and vehicles, and/or increases in training opportunities. Quantify the benefits where possible.
- Describe how the proposed center will help demonstrate alternative fueling and alternative fueled vehicles, reduce greenhouse gas (GHG) emissions, and reduce petroleum use.
- Describe how the proposed center(s) will be developed in a cost-effective manner. Explain why state funds are needed for the proposed center(s) to go forward and if the funding request is consistent with the expected level of public and private benefits that will accrue if the proposed center(s) is successful. Describe how the budget is apportioned to key project tasks.
- Addresses each of the scoring criteria. Provide sufficient detail so that reviewers will be able to evaluate the proposal against each of the scoring criteria.
- **Project Team**
 1. Identify, by name, all key personnel assigned to the project, including the project manager, and clearly describe their individual areas of responsibility. The project manager is the one individual responsible for interacting with the Energy Commission Grant Manager on all issues relating to the overall project and coordinating all aspects of work under the project.
 2. For each individual, include company, position title, job description, individual resume (maximum of two pages each), and contact information.
 3. Applications should provide information as to who, among the Applicant staff and subcontractors, will be committed to each task described in the Scope of Work. Further, Applications should describe the staff roles in the proposed project along with the percentage of time each team member will devote to the proposed project.
 4. Include letter(s) of support/commitment from key project partners.
 - a. Third-Party Match Share Commitment (MANDATORY, if applicable): For match share committed by a third-party (i.e., other than the match share committed by the Applicant), Applicant must submit a letter of commitment from each match share partner identifying the source(s) and availability of match funding.
 - b. Key Project Partners (MANDATORY, if applicable): The Application shall include a letter of commitment from every key project partner. The letter of commitment shall include complete contact information so the Energy Commission is able to efficiently contact the letter writer, as necessary.

- c. Third-Party Letters of Support (OPTIONAL): Applicants are encouraged to submit additional letter(s) of support that further substantiate the estimated demand and/or the potential benefits of the proposed center(s). Third-party letters of support can be provided by, but are not limited to: air districts, state or federal agencies, school districts, alternative fuel providers, alternative vehicle manufacturers, fleet operators, and any other organizations.

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